

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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**FISCAL IMPACT STATEMENT**

**LS 7377**

**BILL NUMBER:** HB 1314

**NOTE PREPARED:** Jan 13, 2013

**BILL AMENDED:**

**SUBJECT:** Proprietary education.

**FIRST AUTHOR:** Rep. Clere

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Pending

**Summary of Legislation:** Provides that the executive officer of the commission for higher education (commission) may develop procedures for authorizing out-of-state public and not-for-profit degree granting institutions to offer instructional or educational services or training in Indiana. Adds definition of "degree granting". Requires an out-of-state public or not-for-profit degree granting institution seeking to offer instructional or educational services or training in Indiana to receive authorization from the executive officer of the commission to provide instructional or educational services in Indiana. Provides that a person may not do business as a degree-granting institution in Indiana unless: (1) the institution is accredited by an accrediting agency recognized by the United States Department of Education or is seeking and progressing toward accreditation by an accrediting agency recognized by the United States Department of Education; or (2) the institution exclusively offers educational instruction of a clearly religious nature. Transfers rulemaking authority regarding the regulation of postsecondary proprietary institutions from the state workforce innovation council to the department of workforce development. Changes references to "accreditation" to "authorization" in provisions relating to administration of postsecondary credit bearing proprietary institutions. Repeals definition of "accreditation". Adds definition of "authorization". Makes changes to the definition of "postsecondary credit bearing proprietary educational institution". Repeals requirements for the issuance of agent permits. Repeals definition of "agent's permit". Provides that a person who knowingly and intentionally makes certain misrepresentations regarding a postsecondary credit bearing proprietary educational institution is subject to action by the attorney general's office for making a deceptive consumer sale. Reduces from \$1,000,000 to \$500,000 the amount of money that must accumulate in the student assurance fund. Makes technical amendments.

**Effective Date:** Upon passage.

**Explanation of State Expenditures:** *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:**

**Local Agencies Affected:**

**Information Sources:**

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